From: <u>Tobin, Jennifer</u>
To: <u>Justin Knipe</u>

Cc: Chimood, Jane; Smith, Brooke

Subject: Return Without Action- XCOM1269 Application

Date: Friday, August 02, 2013 2:17:00 PM

Dear Justin,

Thank you for all of the additional information that you provided upon request. After much discussion with legal staff (both here at NRC and at the Department of State), we have come to determine that the Zirc alloy tubes referenced in your XCOM1269 application are not under NRC jurisdiction. You will need to apply for an export license from the Department of Commerce (Bureau of Industry and Standards).

The NRC concluded that because the Zirc alloy tubes were not housing special nuclear material within the reactor (only Cobalt-59/60 during irradiation) that they are not included as components in 10 CFR Part 110 Appendix A since they cannot be classified as Section 109b components (under the Atomic Energy Act of 1954, as amended- our enabling legislation).

As the NRC had already started processing your application, we cannot refund your licensing fee and are returning it to you without action. In the future, I would suggest that you discuss proposed exports with an NRC licensing officer before you apply to determine jurisdiction.

Please let me know if you have additional questions or need anything further.

Thanks, have a great weekend! -Jenny

Jenny Tobin Export Licensing Officer Office of International Programs

office: 301-415-2328

From: Justin Knipe [mailto:Justin.Knipe@superiortube.com]

Sent: Thursday, August 01, 2013 6:35 PM

To: Tobin, Jennifer Cc: Kevin Heaphy

Subject: Re: Additional Information Needed for XCOM1269

Yes I do. My apologies, that was a typo.

Justin

Sent from my iPhone

On Aug 1, 2013, at 6:28 PM, "Tobin, Jennifer" < Jennifer.Tobin@nrc.gov> wrote:

Justin.

This information is much appreciated. I assume that you mean LEU fuel

cladding instead of OEU? I should be able to get back to you in a day or two regarding the processing of your application.

Thanks, have a good evening! -Jenny

Jenny Tobin
Export Licensing Officer
Office of International Programs
office: 301-415-2328

From: Justin Knipe [mailto:Justin.Knipe@superiortube.com]
Sent: Thursday, August 01, 2013 5:20 PM

To: Tobin, Jennifer Cc: Kevin Heaphy

Subject: RE: Additional Information Needed for XCOM1269

Jenny,

I have attached the portion of the specification that dictates the chemistry of the Zirconium we purchase then produce for Nordion. It is circled in blue in the attachment. Let me know if this is sufficient.

The tubing we provide to Nordion has an outside diameter of 0.315" and a wall thickness of 0.0250" and is 8.16" to 8.19" in length.

In the form in which we provide these tubes to Nordion, there are designed specifically for the irradiation of Cobalt 59 isotope to form Cobalt 60 isotope. There are not produced, designed, or otherwise intended for use as OEU fuel cladding or other similar applications.

Let me know if there is anything else STC can provide to help the application process. Assuming this is all the information you need, what is the expected turnaround time for an application? Any information you could provide to that matter would help a great deal in our planning process here at STC.

Thanks so much for all your help!

Best regards,

Justin Knipe Nuclear Product Team Leader Superior Tube Company 3900 Germantown Pike Collegeville, PA 19426-3112 (P):610-489-5439

(M): 610-564-1593

From: Tobin, Jennifer [mailto:Jennifer.Tobin@nrc.gov]

Sent: Thursday, August 01, 2013 2:47 PM

To: Justin Knipe Cc: Kevin Heaphy

Subject: RE: Additional Information Needed for XCOM1269

Dear Justin,

I gave you a call this afternoon and would like to discuss with you the information that we need from you regarding the dimensions and chemical make-up of the Zirc tubing included in the license application for XCOM1269. Please give me a call when you get a chance. I will be in the office today until ~5, all day tomorrow and Mon-Thurs next week. We are at a stand-still processing your application until I speak with you.

Thanks!
-Jenny

Jenny Tobin
Export Licensing Officer
Office of International Programs
office: 301-415-2328

From: Justin Knipe [mailto:Justin.Knipe@superiortube.com]

Sent: Thursday, July 25, 2013 11:40 AM

To: Tobin, Jennifer

Cc: Kevin Heaphy; Chimood, Jane

Subject: RE: Additional Information Needed for XCOM1269

Jenny,

I am still working diligently on getting this information from my customer. They have been VERY slow to respond and a bit hesitant to pass along this information but I believe we have reached some resolution there. I just wanted to touch base and let you know this hasn't fallen off the map and I am hoping to have something to you shortly.

Best regards,

Justin Knipe
Nuclear Product Team Leader
Superior Tube Company
3900 Germantown Pike
Collegeville, PA 19426-3112
(P):610-489-5439
(M): 610-564-1593

From: Tobin, Jennifer [mailto:Jennifer.Tobin@nrc.gov]

Sent: Tuesday, July 09, 2013 4:04 PM

To: Justin Knipe

Cc: Kevin Heaphy; Chimood, Jane

Subject: RE: Additional Information Needed for XCOM1269

Dear Justin.

We are at a stand-still in processing your license application as we don't have specific details regarding the dimensions and chemical composition of the Zirc alloy tubes and have not yet received from you what items are covered in your contract. I hope that you have had some success with your customer concerning the provision of additional information. The sooner that you can provide these details, the sooner we can move forward on your case. Please let me know if you have questions, I hope to hear from you soon!

Thanks!
-Jenny

Jenny Tobin Export Licensing Officer Office of International Programs office: 301-415-2328

From: Justin Knipe [mailto:Justin.Knipe@superiortube.com]

Sent: Tuesday, June 25, 2013 1:59 PM

To: Tobin, Jennifer

Cc: Kevin Heaphy; Chimood, Jane

Subject: Re: Additional Information Needed for XCOM1269

Thanks, Jenny! I will pass that along to my customer.

Justin

Sent from my iPhone

On Jun 25, 2013, at 1:54 PM, "Tobin, Jennifer" < Jennifer.Tobin@nrc.gov> wrote:

Dear Justin,

I am the licensing officer here at the NRC handling your case. Thank you for your prompt response. We don't need a whole lot of information about the contract in order for us to move forward, just the fact that there's one in existence and you can provide a contract number would be helpful. A redacted copy of the contract (blacking out the proprietary information) could be useful but not necessarily required. The title sheet of the contract and the number would probably suffice.

Please let us know if you have questions.

Thanks!
-Jenny

Jenny Tobin
Export Licensing Officer
Office of International Programs

office: 301-415-2328

From: Justin Knipe [mailto:Justin.Knipe@superiortube.com]

Sent: Tuesday, June 25, 2013 1:34 PM

To: Chimood, Jane

Cc: Tobin, Jennifer; Kevin Heaphy

Subject: RE: Additional Information Needed for XCOM1269

Importance: High

Jane,

Just a quick update:

I forwarded your requests on to my customer. As I mentioned, we at Superior Tube do not interface with the Russian entity, as our customer utilizes our tubes in their process before sending them to Russia for processing. They are working diligently to provide contact information, which is very simple. The contract is proving a bit more difficult as it contains a great amount of proprietary information that we are not privy to. As such, their legal team is combing through it and blacking out those details.

Would the title sheet and the sheet showing the parties to the contract be sufficient? That would save them a great deal of time. Please advise.

If that is not sufficient, we need to make other arrangements. This is a time sensitive issue for both STC and our customer, Nordion, so I want to be prepared for any recourse.

Best regards,

Justin Knipe Nuclear Product Team Leader Superior Tube Company 3900 Germantown Pike Collegeville, PA 19426-3112

(P):610-489-5439 (M): 610-564-1593 (F): 610-489-5252 **From:** Chimood, Jane [mailto:Jane.Chimood@nrc.gov]

Sent: Monday, June 24, 2013 4:16 PM

To: Justin Knipe **Cc:** Tobin, Jennifer

Subject: Additional Information Needed for XCOM1269

Justin,

I just received an email from the State Department regarding your license application XCOM1269 to Russia. Before they send a telegram to the U.S. Embassy Moscow requesting the necessary Russian government assurances for this export they will need a point of contact at the JSC Concern Rosenergoatom. They also need information about a pending or completed contract with Rosenergoatom as the Russian government ordinarily will not consider responding to assurance requests without a contract with the Russian entity.

Please let me know if you have questions regarding the required additional information.

Thank you.

Jane Chimood Licensing Assistant Office of International Programs

Phone: (301) 415-1575

Email: Jane.Chimood@nrc.gov